

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Annual Compliance Report

Docket No. ACR2007

NOTICE OF TECHNICAL CONFERENCES SUPPLEMENTING
POSTAL SERVICE ANNUAL COMPLIANCE REPORT

(Issued December 27, 2007)

Section 3652 of title 39 of the United States Code requires the Postal Service to file an annual report with the Commission analyzing postal costs, revenues, rates, and service within 90 days of the end of each fiscal year. From that report, the Commission and the public are to determine whether the Postal Service has complied with all of the policies of title 39. See 39 U.S.C. § 3653. The Commission shortly will receive from the Postal Service its annual compliance report for FY 2007. Upon its receipt, the Commission will promptly issue a formal notice announcing its receipt, and set a schedule for public comment, as 39 U.S.C. § 3653(a) requires.

The Postal Service has notified the Commission informally that its Cost and Revenue Analysis Report for FY 2007 will employ a cost model for Periodicals that corrects and refines the model that the Commission used in Docket No. R2006-1 to design rates for Periodicals.

Under section 3653, the Commission has 90 days after receipt of the Postal Service's annual report to evaluate whether postal rates and services in FY 2007 complied with the policies of title 39. This brief evaluation period requires that the Commission set an early date for public comments. To facilitate interested parties to evaluate the anticipated changes to the Periodical cost model quickly enough to incorporate their conclusions in their comments on the Postal Service's compliance report, the Commission is scheduling an informal technical conference on January 11, 2008, at 2:00 p.m., in the Commission's hearing room, 901 New York Avenue, NW,

Suite 200, Washington, DC. At the conference, Postal Service analysts will describe the model refinements that they have made, the reasons that they made them, and respond to questions from the Commission's technical staff and the public designed to clarify the nature of, and the reasons for, the Postal Service's changes to the model.

To allow further clarification once interested persons have the benefit of the Postal Service's explanations, a second conference is scheduled for January 23, 2008 at 2:00 p.m. in the Commission's hearing room. At this second conference, interested persons may seek additional information from Postal Service analysts, and explore the reasons for the methodologies and data employed by the Postal Service. At this conference, interested persons may also, if they wish, offer potential additional improvements or alternatives for discussion prior to submitting written comments on the Postal Service's filing.

Steven W. Williams
Secretary